

The Top 10 Reasons Why Digital Out-of-Home (DOOH) Is An Advertisers Most Powerful Tool.

DOOH's Inherent Characteristics and Maturity make it a Valuable Arrow in the Brand and Agency Quiver.

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The new medium of Digital Out-of-Home (DOOH), which is also called Out-of-Home Video Advertising, In-Store TV, Captive Audience TV, Digital Signage, Dynamic Digital Display or other names, offers advertisers one of the most targeted and powerful ways of reaching consumers.

It extends the reach of TV to be "OOH TV," of in-home internet to be the consumer-addressable "OuterNet" or serves as a "middle media" to drive consumers to a website or motivate mobile download, e-browsing, e-commerce and permission marketing.

The inherent characteristics of all networks is that digital displays such as LCD or plasma located where people shop, wait or travel are centrally controlled to present media targeting an audience at a particular location and time.

Agency representatives and DOOH network operators are excited about the value of the media for advertising. In moderating a panel that focused on the viability of digital signage as an advertising media, Chris Borek, Senior Manager, Instore Digital Marketing of Target said "the retail floor is the ideal place for dynamic display advertising because it serves products' branding and merchandising goals at the same time."

Donna Speciale, President, Investment & Activation, Mediavest USA, in addressing the Strategy Institute's DOOH Investors Conference in New York said "the outlook is more and more positive, as OVAB's traffic audit work keeps moving forward, as ad sellers learn how to sell it and as buyers become almost like broadcast media buyers, this media will advance rapidly."

Steve Mueller of Outdoor Services reflected, "We've spent time assessing the effectiveness of DOOH and we like what we see!" He added, "Our ultimate mission with out-of-home is to intercept customers with messages when they do not expect it. We especially like the ability to day-part and deliver highly localized messages."

Almost a million displays are operating in North America and savvy advertisers and communicators are achieving their branding, merchandising and awareness goals through these advertising, retail and staff or patron digital display networks.

In David Letterman style, the following offers the Top 10 reasons why the medium is so powerful. Each is then described in more detail.

1. It gets proven branding, merchandising and “call to action” results.
2. Location – Location – Location !
3. Measurability – Viewers and demographics
4. Demographic Targeting
5. Time of Day-Week-Month Placement
6. Price (It is a bargain for ROI-ROO)
7. Ease of flight planning and purchase
8. Growing inventory of networks, locations and displays
9. Positioning with other “digital” marketing channels
10. You just cannot, not look at relevant DS Content (It gets noticed)

The networks available to advertisers can be accessed through www.OVAB.org, www.OOHDigital.ca, www.Adcentricity.com, www.SeeSawNetworks.com or through specific retailers (Target.Media@Target.com) or network operators such as CBS OuterNet, NBC Everywhere and others.

The Top 10 Reasons Why DOOH is Such a Powerful Medium for Advertisers.

1. It gets proven branding, merchandising and “call to action” results.

While the measurement standards introduced by the Out-of-Home Video Advertising Bureau (OVAB) in late October 2008 reflect actions toward a measurement standard, many networks, retailers and brands have been conducting impact studies for years. Neilson, Arbitron, DS-IQ, Transearch and others have well developed methodologies and are able to provide metrics which define branding, merchandising effectiveness.

WalMart recently announced that it is proceeding to deploy its next generation of In-Store TV to further maximize its achievement of retailing goals, reflecting the proven capability of DOOH as an advertising medium.

Other retailers, advertisers, investors and communicators are equally bullish on the power of DOOH to generate Return on Investment (ROI), Return on Objectives (ROO) and Return on Effort (ROE).

2. Location – Location – Location !

DOOH brings “The Power of Place” described Suzanne Alecia, President of OVAB while presenting with agency representatives at the Strategy Institute’s DOOH Investors Conference. OVAB member networks exist in over 34,500 retail, transportation/travel, Health/Health Care, Office Buildings, Lifestyle and Entertainment venues, delivering 2.4 billion in gross venue traffic monthly.

DOOH presents messages at the “point of purchase” which Proctor & Gamble has named the “First Moment of Truth,” in reflecting that all consumer messaging must start at the point of product selection and be focused on securing a consumer desire and alignment with a product to assure purchase intent.

Waiting areas in which a “captive audience” can be presented with messages (such as elevators, transit, medical offices, etc.) offer high value to advertisers.

And while “out and about” messaging to consumers through DOOH can build brand awareness and purchase/action intent.

3. Measurability – Viewers and Demographics.

As referenced at point 1, measurement is advancing rapidly. Eye and shopper tracking tools such as those available from CognoVision, TruMedia, Quividi, VideoMining and others allow advertisers to know who is watching (i.e. age range, gender, etc.) to enable testing and tuning of ad impact, or a new paradigm of advertising called “Dynamic Ad Provisioning” whereby an ad is presented based on the demographic of who is watching.

4. Demographic Targeting

There are several dimensions of this including the ability to target a demographic based on the location or time of day in which an ad is presented.

The second is the ability to present messages on multiple DOOH displays while a target demographic goes about its day. SeeSaw Networks describes how ads might be presented to reach the “Millennials” demographic (18-25 year olds) in a given day through displays at for example, bus shelter, coffee shop, on campus, in a food court, gas station, bank machine, in mall, in a bar and washroom and finally through street furniture.

5. Time of Day-Week-Month Placement

DOOH allows advertisers to present ads at the time of year, month and day when they will be most effective. This time targeting reduces ad spending waste to further address the dilemma presented by John Wanamaker, the pioneering merchant, religious leader, civic and political figure who is considered the father of modern advertising when (in about 1920) he said, “Half the money I spend on advertising is wasted... I just don’t know which half!”

6. Price (It is a bargain for ROI-ROO).

While offering better approaches and new paradigms of message targeting, DOOH is typically sold on a CPM (Cost per Thousand viewers) basis. Inherent capabilities for message targeting combined with attractive CPM rates make DOOH attractive on the media plan, providing high Return on Investment (ROI) and Return on Objectives.

7. Ease of “flight” planning and purchase.

Planning and buying media sits somewhere at the intersection of being an art, science, craft requiring discipline and tenacity on the part of ad agency and branding professionals. Longer-standing ad mediums such as TV, radio, print and internet have longer-standing approaches to assist in media planning and placement, although these are developing very rapidly in DOOH. Media planners and buyers charged with investigating DOOH will find it increasingly easy to access network information, 3rd party metrics. Gaining a proposal from a DOOH network operator is a phone call or email away.

8. Growing inventory of networks, locations and displays.

As of mid October, the 28 member networks of OVAB accounted for over 34,500 locations and 400,000+ displays covering all DMAs and providing total Gross Venue Traffic of 2.4 Billion monthly and 27.5 Billion annually according to Suzanne Alecia, OVAB President.

InfoTrends, Inc. reports that DOOH is growing at 25% CAGR toward \$2.6B by year end 2011. The number of 837,000 displays currently installed in North America is growing by 18% annually. The 43% of these displays that are used primarily for 3rd party advertising is growing at 58% annually. Other displays are used for location branding, staff or patron communications.

The “fourth screen” of DOOH (so called after TV (1st screen), computer display (2nd screen) and handheld (3rd screen) has a growing inventory of usable and accessible displays. While this ad-based display inventory will grow, it can be easily imagined that displays not currently carrying advertising or sponsored messaging will in future provide part of its playlist for revenue-generating purposes.

9. Positioning with other “digital” marketing channels.

Economies, “speed to messaging” and communications flexibility are provided when content creation, composition, management, transport and presentation are all done digitally. This allows the cost-effective re-purposing of ads across media platforms and DOOH is positioned to leverage or excite other media platforms. This supports brand goals in creating “ubiquity”, an omni-presence with targeted demographics.

Messaging on DOOH can provide a website address, mobile download number or a telephone number, which when dialed from a cell phone provides a pre-recorded message specific to the ad display location for exhibit, product or other information, Wayfinding, voting, etc.

Given the ability to recycle 99.5% of technology components and to carry a large volume of ads in a completely digital communications supply chain, DOOH is very “Green.”

10. You just cannot, not look at relevant DS Content (It gets noticed).

Motion compels us to look at what's moving – perhaps this behavior is burned into our DNA from our “caveman” days when motion represented either a possible meal or a threat. Dr. Hugh Philips, a cognitive psychologist has described in POPAI seminars that human beings “select” or “de-select” what they notice based on the relevance of what is presented. That being the case, motion video and animation coming and going on a dynamic display offers high probability of being seen, and relevant or interesting messages can then fulfill the objectives.

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